

JULY 3, 1989

THE DIRECTOR OF THE DIVISION OF STATE LANDS & FORESTRY TOOK FORMAL ACTION ON JULY 3, 1989, AT 9:30 A.M. IN THE DIVISION OF STATE LANDS & FORESTRY OFFICE, 355 WEST NORTH TEMPLE, 3 TRIAD CENTER, SUITE 400, SALT LAKE CITY, UTAH 84180-1204, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

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MINERAL LEASE APPLICATIONS

METALLIFEROUS MINERAL LEASE APPLICATIONS - APPROVED

Upon recommendation of Mr. Mansfield, the Director approved the Metalliferous Minerals lease applications listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The applications have been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available. The reassessment date is August 1, 1999.

Min. Lease Appl. No. 44428
BuenaVentura Resource Corp.
145.92 acres
P. O. Box 11126
Salt Lake City, UT 84078

T4S, R20E, SLB&M. Uintah
Sec. 24: Lots 3, 4, W½SE¼

Min. Lease Appl. No. 44429
Centurion Mines Corp.
285 West North Temple
Suite 350
Salt Lake City, UT 84103

T21S, R16W, SLB&M. Millard
Sec. 32: All 640.00 acres

Min. Lease Appl. No. 44430
Centurion Mines Corp.
285 West North Temple
Suite 350
Salt Lake City, UT 84103

T20S, R17W, SLB&M. Millard
Sec. 36: All 640.00 acres

Min. Lease Appl. No. 44431
Centurion Mines Corp.
285 West North Temple
Suite 350
Salt Lake City, UT 84103

T20S, R16W, SLB&M. Millard
Sec. 36: All 640.00 acres

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METALLIFEROUS MINERAL LEASE APPLICATIONS - APPROVED (cont.)

Min. Lease Appl. No. 44432	T21S, R16W, SLB&M.	Millard
Centurion Mines Corp.	Sec. 2: Lots 1, 2, 3, 4,	267.00 acres
285 West North Temple	S½S½	
Suite 350		
Salt Lake City, UT 84103		

Min. Lease Appl. No. 44433	T42S, R16W, SLB&M.	Washington
Valgene Blackburn	Sec. 26: SW¼SW¼	40.00 acres
1021 S. Valley View Drive		
No. 163		
St. George, UT 84770		

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TOTAL ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Oil, Gas, and Hydrocarbon Leases listed below to Burnett Oil Company, 801 Cherry Street, Suite 1500, Fort Worth, TX 76102, by SonJa V. McCormick. No override.

LEASE OWNERSHIP: SONJA V. MCCORMICK

....ML 44248,...ML 44249....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Oil, Gas, and Hydrocarbon Leases listed below to The Stroock Leasing Corporation, P.O. Box 2875, Casper, WY 82602, by Thomas F. Stroock. No override.

LEASE OWNERSHIP: THOMAS F. STROOCK

....ML 42730....ML 44024....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Oil, Gas, and Hydrocarbon Lease listed below to Philip T. Sharples Trust, 1660 Lincoln, Suite 3100, Denver, CO 80264, by Samuel Butler, III. No override, but subject to 1.5% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: SAMUEL BUTLER, III

....ML 44344....

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INTEREST ASSIGNMENTS - OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of 60% interest in and to the Oil, Gas, and Hydrocarbon Leases listed below to Yates Drilling Company (20%), ABO Petroleum Corporation (20%), and MYCO Industries, Inc. (20%), 105 South Fourth Street, Artesia, NM 88210, by Yates Petroleum Corporation. No override.

LEASE OWNERSHIP: YATES PETROLEUM CORPORATION

....ML 44346....ML 44352....

Upon recommendation of Mr. Bonner, the Director approved the assignment of 83.33% interest in and to the Oil, Gas, and Hydrocarbon Leases listed below to Yates Petroleum Corporation (33.33%), 105 South Fourth Street, Artesia, NM 88210, Andover Partners (33.33%), 1675 Broadway, Suite 1600, Denver, CO 80202, and Lancaster Corporation (16.67%), P.O. Box 8439, Denver, CO 80201, by Joan Chorney. No override.

LEASE OWNERSHIP: JOAN CHORNEY

....ML 44305....ML 44307....ML 44308....

Upon recommendation of Mr. Bonner, the Director approved the assignment of 12.5% interest in and to the Oil, Gas, and Hydrocarbon Lease listed below to Levinson Partners Corporation, P.O. Box 27843, Houston, TX 77227-7843, by Westcoast Oil & Gas Corporation. No override, but subject to 3.5% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: MARATHON OIL COMPANY--37.5%,
MOBIL OIL CORPORATION--35%,
AVANCE OIL & GAS COMPANY, INC.--15%, AND
WESTCOAST OIL & GAS CORPORATION--12.5%

....ML 27941....

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OPERATING RIGHTS ASSIGNMENTS - OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of 90% of 50% or 45% interest in operating rights from the surface down to and including, but not below, the stratigraphic equivalent of 7,150 feet, which was the total depth drilled in the Alta No. 5-1-B Well in part of leased lands: Bed of the Green River in NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Sec. 5, T7S, R21E, SLB&M., 12.50 acres, in and to the Oil, Gas, and Hydrocarbon Lease listed below to Columbia Gas Development Corporation, 5847 San Felipe, Houston, TX 77057, by EP Operating Company, who reserves 8.333% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: LOMAX EXPLORATION COMPANY--50%, AND
EP OPERATING COMPANY--50%
OPERATING RIGHTS: Bed of the Green River:
T7S, R21E, SLB&M. 12.50 Acres
Section 5: NW $\frac{1}{4}$ NE $\frac{1}{4}$
EP OPERATING COMPANY--50%,
LOMAX EXPLORATION COMPANY--41.477272%,
W.C. DEARMAN--3.196023%,
FRANZHEIM INVESTMENT COMPANY--2.982955%,
JDH OIL COMPANY, INC.--1.278409%, AND
CHARLES D. FITCH--1.065341%

....ML 40230....

Upon recommendation of Mr. Bonner, the Director approved the assignment of 41.477272% interest in operating rights from the surface down to and including, but not below, the stratigraphic equivalent of 7,150 feet, which was the total depth drilled in the Alta No. 5-1-B Well in part of leased lands: Bed of the Green River in NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Sec. 5, T7S, R21E, SLB&M., 12.50 acres, in and to the Oil, Gas, and Hydrocarbon Lease listed below to Columbia Gas Development Corporation, 5847 San Felipe, Houston, TX 77057, by Lomax Exploration Company, who reserves 2.8342801% overriding royalty, in addition to .75% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: LOMAX EXPLORATION COMPANY--50%, AND
EP OPERATING COMPANY--50%
OPERATING RIGHTS: Bed of the Green River:
T7S, R21E, SLB&M. 12.50 Acres
Section 5: NW $\frac{1}{4}$ NE $\frac{1}{4}$
EP OPERATING COMPANY--50%,
LOMAX EXPLORATION COMPANY--41.477272%,
W.C. DEARMAN--3.196023%,
FRANZHEIM INVESTMENT COMPANY--2.982955%,
JDH OIL COMPANY, INC.--1.278409%, AND
CHARLES D. FITCH--1.065341%

....ML 40230....

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OPERATING RIGHTS ASSIGNMENTS - OIL, GAS, AND HYDROCARBON LEASES (cont.)

Upon recommendation of Mr. Bonner, the Director approved the assignment of 3.196023% interest in operating rights from the surface down to and including, but not below, the stratigraphic equivalent of 7,150 feet, which was the total depth drilled in the Alta No. 5-1-B Well in part of leased lands: Bed of the Green River in NW¼NE¼ of Sec. 5, T7S, R21E, SLB&M., 12.50 acres, in and to the Oil, Gas, and Hydrocarbon Lease listed below to Columbia Gas Development Corporation, 5847 San Felipe, Houston, TX 77057, by W.C. Dearman, who reserves .2183949% overriding royalty, in addition to .75% overriding royalty. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: LOMAX EXPLORATION COMPANY--50%, AND
EP OPERATING COMPANY--50%
OPERATING RIGHTS: Bed of the Green River:
T7S, R21E, SLB&M. 12.50 Acres
Section 5: NW¼NE¼
EP OPERATING COMPANY--50%,
LOMAX EXPLORATION COMPANY--41.477272%,
W.C. DEARMAN--3.196023%,
FRANZHEIM INVESTMENT COMPANY--2.982955%,
JDH OIL COMPANY, INC.--1.278409%, AND
CHARLES D. FITCH--1.065341%

....ML 40230....

Upon recommendation of Mr. Bonner, the Director approved the assignment of 2.982955% interest in operating rights from the surface down to and including, but not below, the stratigraphic equivalent of 7,150 feet, which was the total depth drilled in the Alta No. 5-1-B Well in part of leased lands: Bed of the Green River in NW¼NE¼ of Sec. 5, T7S, R21E, SLB&M., 12.50 acres, in and to the Oil, Gas, and Hydrocarbon Lease listed below to Columbia Gas Development Corporation, 5847 San Felipe, Houston, TX 77057, by Franzheim Investment Company, who reserves .2038353% overriding royalty, in addition to .75% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: LOMAX EXPLORATION COMPANY--50%, AND
EP OPERATING COMPANY--50%
OPERATING RIGHTS: Bed of the Green River:
T7S, R21E, SLB&M. 12.50 Acres
Section 5: NW¼NE¼
EP OPERATING COMPANY--50%,
LOMAX EXPLORATION COMPANY--41.477272%,
W.C. DEARMAN--3.196023%,
FRANZHEIM INVESTMENT COMPANY--2.982955%,
JDH OIL COMPANY, INC.--1.278409%, AND
CHARLES D. FITCH--1.065341%

....ML 40230....

OPERATING RIGHTS ASSIGNMENTS - OIL, GAS, AND HYDROCARBON LEASES (cont.)

Upon recommendation of Mr. Bonner, the Director approved the assignment of 1.278409% interest in operating rights from the surface down to and including, but not below, the stratigraphic equivalent of 7,150 feet, which was the total depth drilled in the Alta No. 5-1-B Well in part of leased lands: Bed of the Green River in NW¼NE¼ of Sec. 5, T7S, R21E, SLB&M., 12.50 acres, in and to the Oil, Gas, and Hydrocarbon Lease listed below to Columbia Gas Development Corporation, 5847 San Felipe, Houston, TX 77057, by JDH Oil Company, Inc., who reserves .0873579% overriding royalty, in addition to .75% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: LOMAX EXPLORATION COMPANY--50%, AND
EP OPERATING COMPANY--50%
OPERATING RIGHTS: Bed of the Green River:
T7S, R21E, SLB&M. 12.50 Acres
Section 5: NW¼NE¼
EP OPERATING COMPANY--50%,
LOMAX EXPLORATION COMPANY--41.477272%,
W.C. DEARMAN--3.196023%,
FRANZHEIM INVESTMENT COMPANY--2.982955%,
JDH OIL COMPANY, INC.--1.278409%, AND
CHARLES D. FITCH--1.065341%

....ML 40230....

Upon recommendation of Mr. Bonner, the Director approved the assignment of 1.065341% interest in operating rights from the surface down to and including, but not below, the stratigraphic equivalent of 7,150 feet, which was the total depth drilled in the Alta No. 5-1-B Well in part of leased lands: Bed of the Green River in NW¼NE¼ of Sec. 5, T7S, R21E, SLB&M., 12.50 acres, in and to the Oil, Gas, and Hydrocarbon Lease listed below to Columbia Gas Development Corporation, 5847 San Felipe, Houston, TX 77057, by Charles D. Fitch, who reserves .0727983% overriding royalty, in addition to .75% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: LOMAX EXPLORATION COMPANY--50%, AND
EP OPERATING COMPANY--50%
OPERATING RIGHTS: Bed of the Green River:
T7S, R21E, SLB&M. 12.50 Acres
Section 5: NW¼NE¼
EP OPERATING COMPANY--50%,
LOMAX EXPLORATION COMPANY--41.477272%,
W.C. DEARMAN--3.196023%,
FRANZHEIM INVESTMENT COMPANY--2.982955%,
JDH OIL COMPANY, INC.--1.278409%, AND
CHARLES D. FITCH--1.065341%

....ML 40230....

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OVERRIDING ROYALTY ASSIGNMENTS - OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of 1% overriding royalty interest in and to the Oil, Gas, and Hydrocarbon Lease listed below to Lawrence E. Monley, 760 Gaylord Street, Denver, CO 80206, by Coors Energy Company. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: COORS ENERGY COMPANY

....ML 44322....ML 44331....

TOTAL ASSIGNMENTS--METALLIFEROUS MINERALS LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Metalliferous Minerals Lease listed below to Robert L. Wright, P.O. Box 11841, Salt Lake City, UT 84147, by Rhodes Resources U.S., Inc. No override.

LEASE OWNERSHIP: RHODES RESOURCES U.S., INC.

....ML 43399....

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Metalliferous Minerals Lease listed below to Keystone Surveys, Inc., 520 West 200 South, Salt Lake City, UT 84101, by Centurion Mines Corporation. No override, but subject to 4% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: CENTURION MINES CORPORATION

....ML 43775....

TOTAL ASSIGNMENTS--COAL LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Coal Leases listed below to Factory Butte Coal Co., Inc., 121 North 200 West, Suite 206, St. George, UT 84770, by Duvels, Inc., who reserves 40¢ per ton (not to exceed 8% of value of coal) override. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: DUVELS, INC.

....ML 43378....ML 44403....

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TOTAL ASSIGNMENTS--COAL LEASES (cont.)

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Coal Lease listed below to Factory Butte Coal Co., Inc., 121 North 200 West, St. George, UT 84770, by James H. Wardle Family Living Trust, who reserves 40¢ per ton (not to exceed 8% of value of coal) override. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: JAMES H. WARDLE FAMILY LIVING TRUST
(Document setting forth trust is attached to assignment.)

....ML 30972....

CORRECTION OF DIRECTOR'S MINUTES OF MARCH 12, 1979 -- ML 3393,
ML 3393-A, ML 3394, ML 3394-A, ML 10716, ML 11929, ML 12028,
ML 12028-A, ML 13214, ML 13215-A, ML 13216, ML 17226-A, ML 18296,
ML 20631, ML 22541, ML 26968--OG&H

The Director, on the March 12, 1979 minutes, approved the assignment of 62.50% interest in operating rights to Mapco Production Company by Mapco, Inc. After researching this assignment, it has been found that the assignment should have been assignment of 62.50% interest in operating rights from the surface to the top of the Mancos Formation only.

Upon recommendation of Mr. Bonner, the Director approved the above captioned correction.

CORRECTION OF DIRECTOR'S MINUTES OF AUGUST 9, 1972 - ML 10716--OIL,
GAS, AND HYDROCARBON

The Director, on August 9, 1972, approved the assignment of 36.489% of operating rights and working interest below the top of the Mancos Formation affecting ML 10716. It has been discovered that this assignment should have been 100% operating rights not 36.489%.

Upon recommendation of Mr. Bonner, the Director approved the above captioned correction.

CORRECTION OF DIRECTOR'S MINUTES OF SEPTEMBER 14, 1970, ML 12028-A--
OIL, GAS, AND HYDROCARBON

The Director, on the above-listed date, approved the assignment of operating rights from surface to top of the Mancos Formation to General Hydrocarbons Corporation by Gilman A. Hill affecting ML 12028-A. After researching this file, it has been discovered that this assignment should be approved as an assignment of operating rights from the base of the Green River Formation to the top of the Mancos Formation.

Upon recommendation of Mr. Bonner, the Director approved the above captioned correction.

EXPIRATION OF OIL, GAS, AND HYDROCARBON LEASES

The terms of the Oil, Gas, and Hydrocarbon Leases listed below have reached the end of their terms and expired on the dates listed. These leases should be terminated and the lands offered for lease through the Division's Simultaneous filing procedures.

<u>Lease No.</u>	<u>Lessee</u>	<u>Description</u>	<u>County/Acres</u> <u>Expiration Date</u>
ML 36922	Maurice W. Brown	<u>T30½S, R20E, SLB&M.</u> Sec. 16: All	San Juan 332.04 acres June 30, 1989
ML 36923	Maurice W. Brown	<u>T23S, R25E, SLB&M.</u> Sec. 2: S½	Grand 320.00 acres June 30, 1989
SLA 326	Pennzoil Company	<u>T12N, R6E, SLB&M.</u> Sec. 3: Right of Way for highway known as project No. F-108, across the grantors land in the SW¼NE¼, E½NW¼, NW¼NW¼ Sec. 11, NE¼NE¼ Sec. 10, and SE¼SE¼ Sec. 3, T12N, R6E, SLB&M. Said Right of Way is contained within a parcel of land 150 ft. wide, 75 ft. on each side of the center line of survey of said project. Said center line is described as follows: Beg. at intersection of E	Rich 22.08 acres June 30, 1988

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EXPIRATION OF OIL, GAS, AND HYDROCARBON LEASES (cont.)

<u>Lease No.</u>	<u>Lessee</u>	<u>Description</u>	<u>County/Acres</u> <u>Expiration Date</u>
SLA 326 (Cont.)		<u>T12N, R6E, SLB&M.</u> Sec. 3: (Continued) boundary line of said SW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec 11, and said center line of survey at Engineers Station 1462-80 which point is approximately 1304 ft. W and approx. 103 ft. N from E $\frac{1}{4}$ cor of said Sec. 11, th NW'ly 707.6 ft. along arc of a 2 ⁰⁰⁰ ' curve to the right of a point of curve to spiral (Note: tangent to said curve at the pob bears N 73 ⁰²⁵ ' W), th NW'ly 240 ft. along arc of a 240 ft. ten-chord spiral for said 2 ⁰⁰⁰ ' curve; th N 56 ⁰⁵² ' W 2480.9 ft. to a point of tangency with a 180 ft. ten-chord spiral for a 1 ⁰³⁰ ' curve to the right; th NW'ly 180 ft. along arc of said spiral, th NW'ly 1233.3 ft. along arc of said 1 ⁰³⁰ ' curve to a point of curve to spiral, th NW'ly 180 ft. along arc of a 180 ft. ten-chord spiral for said 1 ⁰³⁰ ' curve, th N 35 ⁰⁴⁰ ' W 1390.2 ft. to inter- section of said center line of survey at Engineer's Station 1526.92 and N boundary line of said grantor's land, which point is approx. 1320 ft. N and approx. 1090 ft. W from SE cor of said Sec. 3.	

Upon recommendation of Mr. Bonner, the Director noted the expiration of the
above captioned leases.

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EXPIRATION OF BUILDING STONE LEASE

The Building Stone Lease listed below has reached the end of its term and expired on the date listed. This lease should be terminated and the land offered for lease through the Division's Simultaneous filing procedures.

<u>Lease No.</u>	<u>Lessee</u>	<u>Description</u>	<u>County/Acres</u> <u>Expiration Date</u>
ML 36920	Preston Bown	T12N, R17W, SLB&M. Sec. 2: SW $\frac{1}{4}$	Box Elder 160.00 acres June 30, 1989

Upon recommendation of Mr. Bonner, the Director noted the expiration of the above captioned lease.

RELINQUISHMENT OF OIL, GAS, AND HYDROCARBON LEASES

Chevron USA Inc., lessee of the Oil, Gas, and Hydrocarbon leases listed below, has requested relinquishment of these leases. These leases should be terminated and the lands offered for lease through the Division's Simultaneous filing procedures.

<u>Lease No.</u>	<u>Description</u>	<u>County/Acres</u>
ML 41403	T15 $\frac{1}{2}$ S, R21E, SLB&M. Sec. 33: Lots 1, 2, SE $\frac{1}{4}$ Sec. 34: All Sec. 35: All	Grand 1135.00 acres
ML 41440	T25S, R24E, SLB&M. Sec. 36: All	Grand 429.16 acres
ML 41449	T26S, R25E, SLB&M. Sec. 6: All Sec. 7: All	Grand 1245.69 acres
ML 43432	T22S, R19E, SLB&M. Sec. 9: W $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$	Grand 440.00 acres
ML 43433	T22S, R19E, SLB&M. Sec. 21: NW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$	Grand 280.00 acres

Upon recommendation of Mr. Bonner, the Director approved the relinquishment of the above captioned leases.

REQUEST FOR APPROVAL OF THE PINTO UNIT

Samedan Oil Corporation, operator of the Pinto Unit, has submitted this unit for approval by the State of Utah. The Pinto Unit is located approximately 10 miles east of Blanding in San Juan County. This unit contains 5,015.92 acres, of which 4,375.92 acres or 87.24 percent are Federal lands and 640.00 acres or 12.76 percent are State lands. The unit agreement provides that the operator will, within six months after the effective date of the unit, commence the drilling of a well of a depth sufficient to test the upper 10 feet of the Akah Member of the Paradox Formation, but not to exceed 6,400 feet. This unit is on the standard unit agreement form and contains all of the necessary State land provisions.

The following is the only State of Utah lease in this unit:

ML 28427 MCOR Oil and Gas Corporation, etal

This lease has been committed to the unit.

Upon recommendation of Mr. Bonner, the Director approved the Pinto Unit.

CORRECTION OF DIRECTOR'S MINUTES OF JANUARY 6, 1975, ML 12028-A--
OIL, GAS, AND HYDROCARBON

The Director, on the above-listed date, approved the assignment of 50% interest in operating rights from surface to top of the Mancos Formation to Natural Gas Corporation of California by General Hydrocarbons Corporation affecting ML 12028-A. After researching this file, it has been discovered that this assignment should be approved as an assignment of operating rights from the base of the Green River Formation to the top of the Mancos Formation.

Upon recommendation of Mr. Bonner, the Director approved the above captioned correction.

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CORRECTION OF DIRECTOR'S MINUTES, JUNE 12, 1989, ML 44407

On June 12, 1989, the Director approved the above numbered Metalliferous Minerals lease. It has come to our attention that the leased lands approved as being in Tooele County are actually in Juab County.

Upon recommendation of Mr. Mansfield, the Director approved the above captioned correction.

SURETY BOND, ML 35572 - BUILDING STONE/LIMESTONE

Continental Lime, Inc., lessee of the above numbered mineral lease, has submitted Surety Bond No. 11127011176 in the amount of \$5,000 with Fireman's Fund Insurance Company as Surety. This bond of lessee is to cover operation on their Utah State Building Stone/Limestone lease ML 35572.

Upon recommendation of Mr. Mansfield, the Director accepted the above captioned bond.

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PARTIAL RELINQUISHMENT, ML 43399 - METALLIFEROUS MINERALS

Robert L. Wright, lessee of the above numbered lease, has filed a relinquishment of part of the lands encumbered by the lease. I recommend the relinquished lands be deleted from the lease and offered for lease of Metalliferous Minerals through the Division's Simultaneous Filing Procedures.

Relinquished Lands:	T26S, R5W, SLB&M. Sec. 36: N $\frac{1}{2}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$	Piute & Sevier 360.00 acres
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Retained Lands:	T26S, R5W, SLB&M. Sec. 36: Lots 1, 2, 3, 4, 5	Piute & Sevier 176.92 acres
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Upon recommendation of Mr. Mansfield, the Director approved the partial relinquishment of ML 43399.

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SURFACE BUSINESS MATTERS

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GRAZING PERMITS

ASSIGNMENT OF GRAZING PERMIT NOS. - GP 21860 & 21872

Lee Pritchett et al, has requested to assign 100% of their interest in the above referenced Grazing Permit Nos. 21860 & 21872 to Kunzler Ranch, c/o Alan C., Kay C., Dean R., and John A. Kunzler, Park Valley, UT 84329. The approval of this assignment in the BLM allotment has been confirmed. The \$40.00 assignment fee has been submitted.

Upon recommendation of Mr. Wall, Mr. Klason approved the above captioned assignments.

SULAS

ASSIGNMENT OF SULA NO. 382

Kennecott Corporation has requested permission to assign 100% of their interest in SULA No. 382 to the Standard Oil Company, 200 Public Square, Cleveland, Ohio 44144-2375. The \$20.00 assignment fee has been submitted.

Upon recommendation of Mr. Wall, the Director approved the assignment of SULA 382.

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ASSIGNMENT OF SULA NO. 382

The Standard Oil Company has requested permission to assign 100% of their interest in SULA No. 382 to Gazelle Corporation doing business in Utah as KENSALT, Inc., 10 East South Temple, Salt Lake City, UT 84101. The \$20.00 assignment fee has been submitted.

Upon recommendation of Mr. Wall, the Director approved the assignment of SULA 382.

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PARTIAL COLLATERAL ASSIGNMENT

SULA 538

James Doyle, lessee of the above referenced special use lease, has requested approval of a collateral assignment for the following described portion of said lease:

Beginning at a point which lies S 89°43'00" E 931.75 feet, along the section line and North 199.97 feet from the southeast corner of Sec. 10, Township 42 South, Range 15 West, SLB&M, said point being the true point of beginning and running thence N 0°42'27" W 1296.05 feet; thence N 89°43'00" W 935.33 feet; thence N 86°38'37" W 247.30 feet; thence N 11°34'03" E 1156.26 feet; thence N 55°12'26" W 669.97 feet; thence N 23°55'14" W 445.86 feet; thence N 34°15'32" W 732.08 feet; thence N 30°34'46" E 566.95 feet; thence S 47°58'38" E 783.83 feet; thence N 89°40'32" E 1474.17 feet; thence S 0°33'08" E 2122.20 feet; thence S 0°42'27" E 2459.64 feet; thence N 89°43'00" W 400.00 feet to the true point of beginning. Containing 150.18 acres.

The holder of the collateral will be:

SOUTHERN UTAH DEVELOPMENT CORPORATION
151 NORTH MAIN STREET
ST GEORGE UTAH 84770

This request is made by the lessee pursuant to paragraph 19a of said SULA 538. The \$20.00 fee has been submitted.

Upon recommendation of Mr. Carter, the Director approved the partial collateral assignment for SULA 538.

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GRAZING PERMITS

AMENDED GRAZING PERMIT NO. 21349 (Recalculation of AUM's)

Clark Livestock c/o Richard Clark, 620 East 200 South, Cedar City, Utah 84720. Due to new data provided by the BLM, GP 21349 will now contain 57 AUM's @ \$1.86/AUM equaling \$106.02. No amendment fee is assessed since this is at the request of the Division.

Upon recommendation of Ms. Dodge, Mr. Klason, approved the amendment of GP 21349.

AMENDED GRAZING PERMIT NO. 21285 (Recalculation of AUM's)

Beaver Valley Grazing Association, C/O Ronnie Roberts, Beaver, Utah 84713. Due to new data provided by the BLM, GP 21285 will now contain 169 AUM's @ \$1.86/AUM equaling \$314.34. No amendment fee is assessed since this is at the request of the Division.

Upon recommendation of Ms. Dodge, Mr. Klason, approved the amendment of GP 21285.

AMENDED GRAZING PERMIT NO. 21304 (Recalculation of AUM's)

Lehi M. Wood, P.O. Box 36, Beryl, Utah 84714. Due to new data provided by the BLM, GP 21304 will now contain 57 AUM's @ \$1.86/AUM equaling \$106.02. No amendment fee is assessed since this is at the request of the Division.

Upon recommendation of Ms. Dodge, Mr. Klason, approved the amendment of GP 21304.

AMENDED GRAZING PERMIT NO. 21260 (Recalculation of AUM's)

David M. Burton, P.O. Box 32, Parowan, Utah 84761. Due to new data provided by the BLM, GP 21260 will now contain 78 AUM's @ \$1.86/AUM equaling \$145.08. No amendment fee is assessed since this is at the request of the Division.

Upon recommendation of Ms. Dodge, Mr. Klason, approved the amendment of GP 21260.

AMENDED GRAZING PERMIT NO. 21277 (Recalculation of AUM's)

Leigh Livestock Company c/o Richard H. Leigh, 451 Rose Hill Road, Cedar City, Utah 84720. Due to new data provided by the BLM, GP 21277 will now contain 117 AUM's @ \$1.86/AUM equaling \$217.62. No amendment fee is assessed since this is at the request of the Division.

Upon recommendation of Ms. Dodge, Mr. Klason, approved the amendment of GP 21277.

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AMENDED GRAZING PERMIT NO. 22537 (Recalculation of AUM's)

Henry M. Bulloch, 399 East Center #8, Cedar City, Utah 84720. Due to new data provided by the BLM, GP 22537 will now contain 138.50 AUM's @ \$1.86/AUM equaling \$257.61. No amendment fee is assessed since this is at the request of the Division.

Upon recommendation of Ms. Dodge, Mr. Klason, approved the amendment of GP 22537.

AMENDED GRAZING PERMIT NO. 21409 (Recalculation of AUM's)

Henry Clark Bradshaw, P.O. Box 733, Beaver, Utah 84713. Due to new data provided by the BLM, GP 21409 will now contain 85 AUM's @ \$1.86/AUM equaling \$158.10. No amendment fee is assessed since this is at the request of the Division.

Upon recommendation of Ms. Dodge, Mr. Klason, approved the amendment of GP 21409.

AMENDED GRAZING PERMIT NO. 21307 (Recalculation of AUM's)

Lorin C. Jones, 4895 North Green Acres Circle, Cedar City, Utah 84720. Due to new data provided by the BLM, GP 21307 will now contain 69 AUM's @ \$1.86/AUM equaling \$128.34. No amendment fee is assessed since this is at the request of the Division.

Upon recommendation of Ms. Dodge, Mr. Klason, approved the amendment of GP 21307.

AMENDED GRAZING PERMIT NO. 21384 (Recalculation of AUM's)

Paul E. Haumont and Miche J. Haumont, P.O. Box 910, Kanab, Utah 84741. Due to new data provided by the BLM, GP 21384 will now contain 12 AUM's @ \$1.86/AUM equaling \$22.32. No amendment fee is assessed since this is at the request of the Division.

Upon recommendation of Ms. Dodge, Mr. Klason, approved the amendment of GP 21384.

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AMENDED GRAZING PERMIT NO. 20873 (Addition of Acreage)

Mr. J. Robert Ott, P.O. Box 278, Cannonville, Utah 84718, has requested that the following State land be added to the above referenced grazing permit:

<u>T35S, R4W, SLB&M</u>	Garfield Co.
Sec. 34: SW4SW4	40.0 acres

This permit will now contain 760.08 acres equaling 39.1 AUM's @ \$1.86/AUM totaling \$72.73. The \$20.00 amendment fee has been submitted.

Upon recommendation of Ms. Dodge, Mr. Klason, approved the amendment of GP 20873.

* * * * *

SAND AND GRAVEL

MP 102

Mr. A. H. Greene, 3511 East North Lane, Phoenix, AZ 85028, has submitted an application for a materials permit on the following described land:

<u>T43S, R2E, SLB&M</u>	Kane Co.
Sec. 2: SE4SW4, SW4SE4	80.0 acres

The above described site is an existing gravel pit that was previously leased to Mr. A. H. Greene on ML 29847 which was cancelled on December 12, 1988, due to non-payment of rental. Since it has been determined that the certified cancellation notice was not received by Mr. Greene, it is requested that MP 102 begin the same date that ML 29847 cancelled. Rentals and royalties will be as follows:

Annual rental	\$10.00 per acre
Royalty	
Granular borrow	.30 per cubic yard
Washed sand/rock	.60 per ton
Crushed/screened road base	.60 per cubic
Chips	.50 per ton

The \$5,000.00 Surety Bond that Mr. Greene submitted on ML 29847 should transfer to this lease. The \$20.00 application fee, plus \$800.00 for rental has been received.

Upon recommendation of Mr. Brown, the Director approved MP 102 for a term of 10 years.

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GRAZING PERMITS

AMENDED GRAZING PERMIT GP 20837 (Deletion of Acreage and AUMs)

Mr. Berkley Anderson has submitted a request that the following described land and AUMs be deleted from GP 20837:

T24S, R1W, SLB&M
Sec. 36: All

Sevier County
637.56 acres

Mr. Anderson no longer desires use of this land. Total acres deleted are 637.56. The new acreage for this permit is 1269.99. There will now be 68.37 AUMs @ \$1.86/AUM equaling \$127.17 and a \$.05/AUM weed control fee equaling \$3.42, totaling \$130.59. The \$20 amendment fee has been submitted.

Upon recommendation of Mr. Brown, Mr. Klason approved the amendment of GP 20387.

AMENDED GRAZING PERMIT GP 21618 (Addition of Acreage and AUMs)

Mr. Berkley Anderson has submitted a request that the following described land and AUMs be added to GP 21618:

T24S, R1E, SLB&M
Sec. 31: NE4, N2SE4

Sevier County
240 acres

This permit will now contain 518.26 acres. There will now be 39.90 AUMs @ \$1.86/AUM equaling \$74.21 and a \$.05/AUM weed control fee equaling \$2.00, totaling \$76.21. The \$20 amendment fee has been submitted.

Upon recommendation of Mr. Brown, Mr. Klason approved the amendment of GP 21618.

AMENDED GRAZING PERMIT GP 22349 (Deletion of Acreage and AUMs)

Mr. Berkley Anderson has submitted a request that the following described land and AUMs be deleted from GP 22349:

T23S, R1W, SLB&M
Sec. 2: All

Sevier County
696 acres

Mr. Anderson no longer desires use of this land. Total acres deleted are 696. The new acreage for this permit is 957.96. There will now be 56.57 AUMs @ \$1.86/AUM equaling \$105.22 and a \$.05/AUM weed control fee equaling \$2.83, totaling \$108.05. The \$20 amendment fee has been submitted.

Upon recommendation of Mr. Brown, Mr. Klason approved the amendment of GP 22349.

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AMENDED GRAZING PERMIT GP 21759 (Deletion of Acreage and AUMs)

The Division of State Lands and Forestry, P.O. Box 653, Richfield, Utah 84701 on behalf of Moore Land and Livestock, P.O. Box 103, Green River, Utah 84525 requests that the following described land be deleted from GP 21759:

T27S, R14E, SLB&M
Sec. 36: All

Wayne County
640 acres

This permit will now contain 1843.88 acres. Total acres deleted is 640. There will now be 79 AUMs @ \$1.86/AUM equaling \$146.94 and \$.05/AUM weed control fee equaling \$3.95, totaling \$150.89. These fees have been submitted. The \$20 amendment fee is waived as this is a Division initiated action.

Upon recommendation of Mr. Brown, Mr. Klason approved the amendment of GP 21759.

AMENDED GRAZING PERMIT GP 22584 (Deletion of Acreage and AUMs)

Tercero Corporation has requested that the following described land be deleted from GP 22584:

T28S, R11E, SLB&M
Sec. 21: SE4
Sec. 22: E2NW4, SW4NW4, SW4

Wayne County
160 acres
280 acres

Tercero Corporation is selling its interest in this land to Stanley and Jess Wood. Total acres deleted is 440. The new acreage for this permit will be 11,636.97. There will now be 551.29 AUMs @ \$1.86/AUM equaling \$1,025.40 and a \$.05/AUM weed control fee equaling \$27.56, totaling \$1,052.96. The \$20 amendment fee has been submitted.

Upon recommendation of Mr. Brown, Mr. Klason, approved the amendment of GP 22584.

ASSIGNMENT OF GRAZING PERMIT GP 22686

Tercero Corporation has requested permission to assign 100% of its interest in the above grazing permit to Pace Ranches, P.O. Box 397, Teasdale, Utah 84773. The \$20 assignment fee has been submitted.

Upon recommendation of Mr. Brown, Mr. Klason approved the assignment of GP 22686.

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ASSIGNMENT OF GRAZING PERMIT GP 21965

Marvel Hansen, Executrix of the Estate of Reed Hansen, has requested permission to assign 100% of her interest in the above grazing permit to Scott and Carla Anderson, 45 Sunnybrook Drive, Salina, Utah 84654. The \$20 assignment fee has been submitted.

Upon recommendation of Mr. Brown, Mr. Klason approved the assignment of GP 21965.

AMENDED GRAZING PERMIT GP 20608 (Addition of Acreage and AUMs)

Pace Ranches, Teasdale, Utah 84773 has requested that the following State land be added to their grazing permit GP 20508:

T29S, R7E, SLB&M
Sec. 2: All

Wayne County
660.80 acres

This permit will now contain 9,325.12 acres. Total acreage added is 660.80. There will now be 284 AUMs @ \$1.86/AUM equaling \$528.24 and \$.05/AUM weed control fee equaling \$14.20, totaling \$542.44. The \$20 amendment fee has been submitted.

Upon recommendation of Mr. Brown, Mr. Klason approved the amendment of GP 20608.

GRAZING PERMITS

REINSTATEMENT OF GRAZING PERMIT GP 22111

Joseph F. Smith, c/o Fred Loveless, Marysville, Utah has requested reinstatement of the above referenced grazing permit which was cancelled for non-payment on June 5, 1989. All rental, late fees and the \$20 reinstatement fee has been paid.

Upon recommendation of Mr. Brown, Mr. Klason approved the reinstatement of GP 22111.

ASSIGNMENT OF GRAZING PERMIT GP 20138

Jay E. Worthington has requested permission to assign 100% of his interest in the above grazing permit to Robert Snow, 691 North Main, Nephi, Utah. The \$20 assignment fee has been paid.

Upon recommendation of Mr. Brown, Mr. Klason approved the assignment of GP 20138.

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RIGHTS OF WAY

RIGHT OF ENTRY NO. 3458

On June 30, 1989, Mr. Stan Baker, Southeast Area Office Land Specialist, pursuant to R632-40-2 and in accordance with direction and delegation of authority, approved the request of New Frontier Exploration, 7388 S. Revere Parkway, Bldg. 902, Englewood, CO 80112 to conduct a seismic survey - shothole method across the following described State lands:

T36S, R25E SLB&M San Juan Co.
Sec. 36: Runs diagonally, NW corner to SE corner

The fee for a seismic survey - shothole method, greater than 50', is \$50/hole @ 12 holes totals \$600.00, plus a \$50.00 application fee equals \$650.00; school fund. Expiration date: August 31, 1989.

In accordance with direction and delegation from Ed Storey, Mr. Baker approved Right of Entry 3458 with an expiration date of August 31, 1989.

CORRECTION OF MINUTES DATED JUNE 12, 1989

The following grazing permit was listed as cancelled for non-payment, however, it was paid in the Moab Office on June 2, 1989.

J. George Conover GP 20578 Emery Co.

Upon recommendation of Mr. Johnson, the Director approved the above captioned correction.

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REFUND REQUESTED

Exxon Company, USA - P. O. Box 4671 - Houston, TX 77210-4671 is requesting a refund in the amount of \$1,015.54 which represents a duplicate royalty payment made for Oil production during the month of March 1989. Records have been checked and confirmed. (PEN #07010, ROY911511201, Receipt #G 7892)

Upon recommendation of Mr. Johnson, the Director approved the above captioned refund.

<u>INTEREST RATE</u>	<u>CURRENT YEAR</u>	<u>YEAR AGO</u>
Base Rate	11.00	9.00

for 
PATRICK D. SPURGIN, DIRECTOR
DIVISION OF STATE LANDS/FORESTRY


LESLIE M. WARNER, RECORDS SUPERVISOR

ARCHIVES APPROVAL NO. 7900209